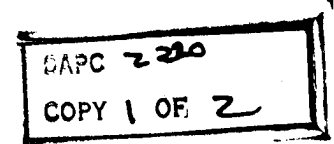


October 14, 1955



HIM

The attached invoices, 44852 and 44853, are being submitted as progress payments for costs incurred by Hycon during the period from August 27, 1955 through September 26, 1955 as described below.

1) INVOICE 44852

Costs incurred from August 27-31, 1955

Raw material, purchased parts & outside processing	742.97	
Direct costs	1,193.63	
Direct Labor	6,474.92	
Burden on Direct Labor	16,839.03	
G & A	<u>3,832.39</u>	
Total		\$29,082.94 ✓

2) Invoice 44853

Costs incurred from September 1-26, 1955

Raw material, purchased parts & outside processing	17,680.69	
Direct Costs	1,995.17	
Direct Labor	43,966.94	
Burden on Direct Labor	49,566.37	
G & A	<u>7,438.89</u>	
Total		\$120,648.06 ✓

Total Invoices 44852 and 44853

\$149,731.00 ✓

The overhead item on invoice 44852 seems rather high as compared to the Direct Labor Costs. It represents 260% on direct labor. The total overhead to date is about 140% on direct labor. There is probably a good explanation for this and we will look into it to get the facts. I'll send along the results when we find out.

Enclosed are some charts of possible interest to you. They show deliveries, both pro-forma and actual and expenses as percentages of final figures for PE and Hycon separately and for the project as a whole.



RMS

STAT